Chapter 7

Title Information

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7-1 General

- A. Evidence of the ownership of, or of an interest in the title to real property, is found in the records of the county in which the property is located. Public records affecting title are maintained by the county's assessor, auditor, clerk, registrar, and treasurer. Ownership records are also maintained by all title insurance company offices in each county.
- B. Generally, the state requires fee simple title to lands acquired for right of way purposes. Grantor's retention of reversionary rights is not acceptable in most cases.
- C. Although the "Contracts for Title Evidence" vary somewhat as to fees, delivery schedules, etc., each provides that the state receive Preliminary Commitments for Title Insurance (PC) and any necessary Supplemental (SPC) for its acquisition information needs, and an ALTA owner's Standard Form Policy of Title Insurance insuring the Washington State Department of Transportation's (WSDOT) acquisition. For specific provisions, refer to the appropriate title contract.
- D. Since it is less expensive to obtain insured titles from the local title industry than it is to use staff personnel to conduct title searches, WSDOT uses the services of the title insurance companies almost exclusively. Only in an emergency situation are staff personnel used to conduct title searches. One provision of the contracts is that WSDOT may secure sundry title services such as copies of maps, copies of instruments, ownership information, etc., for a specified charge which, along with other charges, will be billed to WSDOT.
- E. In Headquarters, title work is performed under the supervision of the Assistant Director of the Title and Condemnation Program. In the larger regions, title work is performed under the supervision of the Region Real Estate Services Manager (RESM) and when necessary is assisted by the Assistant Director of the Title and Condemnation Program (see Chapter 2).

7-2 Title Functions — Region

7-2.1 General

The following sections describe title functions which are normally performed in the region. The Region RESM is responsible for the performance of these title functions and may delegate these duties to members of his staff as appropriate. The Region RESM coordinates with the Assistant Director of the Title and Condemnation Program on any special problems.

7-2.2 Location

The Region RESM:

- A. Upon receipt of maps or property descriptions from the Plans Branch, places an order for title reports.
 - 1. The order is placed with a title company insuring in the county in which the project is located.
 - 2. Title orders are normally placed with the title company on a rotational basis; however, this is balanced against the company's ability to deliver to the department's time requirements and company's ability to deliver accurate work. At times of large orders (20 or more parcels), it may be necessary to balance the orders between several title companies.

- 3. Upon assurance that the title company is prepared to meet the project's time schedule, places the order as provided in the contract.
- B. Upon receipt of title reports, determines whether all properties within the limits of the proposed project have been covered.
 - 1. Contacts the title company to correct any duplications, omissions, or discrepancies.
 - 2. When the field survey (by the Plans Branch) does not agree with the descriptions on the title reports, coordinates with the project engineer and contacts the title company and/or the county or city engineer's office to determine the legal status of the questioned property. Advises the Plans Branch on problems concerning the legal status of vacated streets or other questioned property.
 - 3. Acts as liaison between the Plans Branch and the title company.
- C. Confirms that the title company's bill is for the services provided, assures it meets contract requirements, and prepares *Voucher Distribution* for payment.
- D. Coordinates with the project manager on real estate matters bearing on interdisciplinary team activities, such as: ownership, contiguous properties, taxing districts, assessing districts, water rights, mineral rights, timber cruises, public recreation sites and access, etc.

7-2.3 Right of Way Plans — Special Distribution

The Region RESM:

- A. At the time negotiations are to begin, furnishes informational copies of approved *Right of Way Plans* to:
 - 1. Each title company doing business in that county.
 - 2. The county assessor.
 - 3. The county engineer.
- B. Distributes any subsequent map revision resulting in a change to parcel definition as in A, above.

7-2.4 Acquisition

The Region RESM:

- A. Maintains and updates title reports. Each title report consists of a PC and all necessary SPCs, all of which are prepared as specified in the contract.
- B. Reviews the title reports with the Acquisition Agent as required, and advises the Acquisition Agent on techniques for clearing encumbrances.
- C. Orders SPCs as needed.
- D. Drafts complex legal descriptions and/or assists the Acquisition Agent in drafting them.
- E. Coordinates with the Assistant Director of the Title and Condemnation Program on *Right of Way Manual* interpretations as needed.
- F. Reviews all acquisition or condemnation transmittals as described in Chapter 6.
- G. Assures that the title company's bills for supplemental, and full value title policies meet the requirements of the contract and prepares *Voucher Distribution* (DOT Form 134-128) for payment. As to those acquisitions which are to be closed in escrow, verifies that the correct escrow fee plus sales tax has been added to the acquisition voucher. When acquisitions are

subject to unusual or abnormal title risks, with the concurrence of the Assistant Director of the Title and Condemnation Program, provide for the ordering of full value title insurance. The title insurance company bills the region for the appropriate premium after closing as specified in Chapter 6. The bill is verified for correctness and paid as specified in Chapter 10.

7-2.5 Assistant Attorney General, Department of Transportation — Liaison

The Region RESM:

- A. Using the procedures specified in the appropriate contract, obtains title evidence for the use of the Assistant Attorney General, WSDOT, in inverse condemnation proceedings and on damage claims in accordance with Chapter 6.
- B. When (on interstate projects only) condemnation proceedings are to be filed in the federal court, obtains federal form certificates as specified in the contracts.
- C. Compiles data on legal descriptions and parties defendant as requested by the Assistant Attorney General, WSDOT.
- D. <u>Makes specific note of any toxic/hazardous situations that will need to be addressed</u> by the Attorney Generals Office (AGO).
- E. Submits requests for any needed legal opinion to the Director, Real Estate Services (DRES), for coordination with the Assistant Attorney General, WSDOT, and other regions.

7-3 Title Functions — Headquarters

7-3.1 Acquisition Transmittal

The Assistant Director of the Title and Condemnation Program:

A. Pre-Audit

- 1. Reviews voucher to assure completeness and accuracy of data and amounts.
- 2. Checks billing data to assure amounts are charged to the correct accounts and that nonparticipating payments are correctly shown.
- 3. Reviews file for compliance with negotiations, appraisal, property management, and relocation requirements. If problems are found, refer the file to the appropriate section for correction.
- 4. Inputs required data into the computer system.

B. Examination and Posting

- 1. Examines complete file for compliance with state laws and WSDOT policies and procedures.
- 2. Examines legal descriptions for completeness, accuracy, and conformity with *Right* of *Wav Plan* requirements.
- 3. Examines documents to assure that all interested parties have signed and that all encumbrances have been released or otherwise provided for.
- 4. When errors and/or omissions are found, returns file to region office with instructions for appropriate corrective actions.
- 5. Prepares closing order, escrow closing, and letter instructions for typing as appropriate.
- 6. Posts documents to plan sheets.

- 7. Forwards file to DRES for acceptance of documents and approval of voucher for payment.
- 8. Inputs required data into the computer system.

C. Closing

- 1. Sends closing instructions and documents to title company and/or county auditor, as appropriate, for recording.
- 2. Upon receipt of recording data, transmits voucher and appropriate letters to accounting to have warrant drawn and mailed.
- 3. Upon receipt of title insurance policy and recorded documents, the file is closed to the real estate services records vault.
- 4. Inputs required data into the computer system.

7-3.2 Condemnation

A. State Condemnation

The Assistant Director of the Title and Condemnation Program:

- 1. Coordinates with the Region RESM and the Assistant Attorney General, WSDOT, to determine the makeup of blanket condemnations.
- 2. Prepares and certifies exhibit maps to be used in the condemnation action.
- 3. Writes legal descriptions of property to be acquired in condemnation action.
- 4. Reviews diary, transmittal sheet, and all title evidence, and prepares a listing of interested parties to be named.
- 5. Transmits condemnation data package to the Assistant Attorney General's Office.
- 6. Examines all *Right of Way Plan* revisions and SPCs to determine their effects, if any, on any pending condemnation case. As a result, supplies the Assistant Attorney General, WSDOT, with corrected descriptions, maps, lists of interested parties, etc.
- 7. Upon receipt of the *Memo: Stop Condemnation Request* (Form RES-319) and upon confirming that an appropriate settlement has been obtained, sends a letter to the Assistant Attorney General, WSDOT, requesting that the parcel be deleted from the condemnation action.

B. Federal Condemnation

The Assistant Director of the Title and Condemnation Program:

- 1. Coordinates with the project engineer to obtain accurate exhibit maps as required for the federal court. The federal court requirements include:
 - a. Color-coded Right of Way Plan Sheet(s) for each parcel.
 - b. Legend on each sheet (as to meaning of symbols employed).
 - c. Parcel number within the right of way boundaries.
 - d. A known monument shown on each sheet.
 - e. Metes and bounds delineation of the part taken expressed completely on the face of the plan.

- f. Vicinity map on each sheet showing entire ownership.
- g. Distances expressed in hundredths of a foot.
- h. Areas expressed in thousandths of an acre.
- i. State Design Engineer's (or designee's) signature and seal.
- 2. Prepares a legal description of the acquisition that agrees with the delineation on the exhibit map.
- 3. Coordinates with the FHWA to obtain their preliminary approval of the state's:
 - a. Exhibit maps.
 - b. Legal description.
 - c. Appraisals.
- 4. Submits legal description, and orders federal form title insurance reports from the title insurance company the amount of the insurance being the amount of the FHWA approved preliminary appraisal.
- 5. Coordinates with photogrammetry to obtain aerial photographs of the area involved as close to the date of the "Declaration of Taking" as the weather permits.
- 6. Coordinates with the FHWA Division Realty Officer, FHWA Attorney, and U.S. Department of Justice, as needed, to obtain additional appraisals, plans, etc. Assures compliance with the requirements of Section 1-22.
- 7. Prepares, coordinates, and submits through channels a data package containing:
 - a. A letter to the FHWA (signed by the WSDOT Secretary) including:
 - (1) The justification for the federal acquisition of the lands or interests in lands;
 - (2) The date FHWA authorized WSDOT to commence right of way acquisition, the date the project was advanced to Stage 2 program status, the date of the project agreement, and a statement that the agreement contains the provisions required by 23-USC 107, 108, and 111, and 40 USC 257;
 - (3) The necessity for acquisition of the particular lands under request;
 - (4) A statement of the specific interests in lands to be acquired, including the proposed treatment of control of access;
 - (5) WSDOT's intentions with respect to the acquisition, subordination, or exclusion of outstanding interests, such as minerals and utility easements, in connection with the proposed acquisition;
 - (6) A statement of compliance with the provisions of 23 CFR Part 771;
 - (7) Adequate legal descriptions, plats, appraisals, and title data;
 - (8) An outline of the negotiations which have been conducted by WSDOT with landowners;
 - (9) An agreement that WSDOT will pay its pro rata share of costs;
 - (10) A statement that assures compliance with the applicable provisions of the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970* (42 U.S.C. 4601, et seq.);
 - (11) A statement of why state condemnation proceedings are inadequate.

- b. A letter to the FHWA Division Administrator (signed by the Director of WSDOT's Real Estate Services) transmitting the following:
 - (1) Title page, for each blanket or single case;
 - (2) The following items for *each* parcel:
 - (a) Negotiators Report (Form RES-320).
 - (b) Diary of Right of Way Activities (Form RES-301).
 - (c) Exhibit maps (10 copies).
 - (d) Legal description (10 copies).
 - (e) Appraisal reports (5 copies).
 - (f) Federal form title certificates (5 copies).
 - (g) Schedule "A" showing:
 - 1) Parcel number.
 - 2) Owners.
 - 3) Owner's address.
 - 4) Estimated just compensation.
 - 5) *Legal description.*
 - (h) Scheduled ad date.
 - (i) Statement of the WSDOT's inability to acquire in State Court in time for contract advertising because of lack of jury term and trial setting.
 - (i) Statement of access control.
- c. Checks and eventually accepts the deed(s) from the U.S.A. to the state. Each deed is processed for posting and recordation as specified in Chapter 6.

7-3.3 Conveyances of Excess and/or Surplus Property

The Assistant Director of the Title and Condemnation Program:

A. Title Checks

Performs a preliminary title check to determine what interest WSDOT holds in subject property and those exceptions and/or reservations which must be made in any proposed conveyance.

B. Descriptions

Reviews descriptions submitted by property management or writes and reviews descriptions of property being conveyed.

C. Conveyance Documents

Reviews documents of conveyance for completeness and accuracy prior to final execution.

D. Posting

Posts completed conveyance to Right of Way Plans.

7-3.4 Records

The Assistant Director of the Title and Condemnation Program:

A. Map Books

Maintains map books including entry of new *Right of Way Plans*, entry and reposting of plan revisions.

B. Sundry Site Records

Maintains pit and stockpile record books and maps.

C. Advise Others

Advises and assists others on matters involving right of way acquisitions and plans including, but not limited to, retrieval of data from archives and interpretation of evidence therefrom.

Title Information